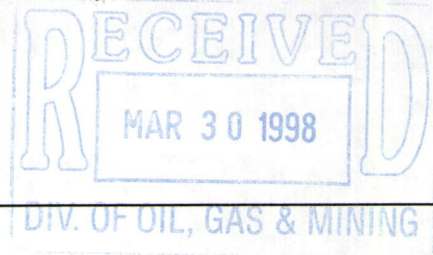


magcorp

MAGNESIUM CORPORATION OF AMERICA

238 North 2200 West - Salt Lake City, UT 84116-2921

801/532-2043 - 800/262-9624 - FACSIMILE 801/534-1407



March 27, 1998

Wayne Hedberg
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

Subject: 1996 Annual Report of Mining Operations Correction of Report

Dear Wayne,

Upon recent review of the Annual Reports of Mining Operations, we discussed that the quantity of Magnesium Chloride Brine reported in 1996 was in error. All previous reports filed utilized concentrated brines shipped to the plant and the 1996 report mistakenly referred to gallons pumped into the Knolls Pond Operating System for concentration. Attached is the corrected amount under Section II (2) which is 20.2 mmgallons.

Thank you for your cooperation.

Sincerely,

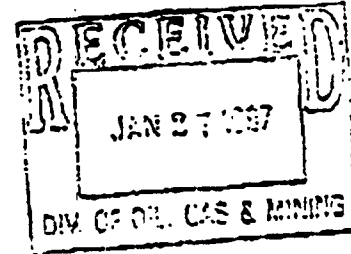
Lee R. Brown
Vice President
Magnesium Corporation of America

cc: T. Tripp
D. Silva, Jr.

000281

2024-10-18
(Revised 6/96)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-5, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MIR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/96 To (mo./yr.) 12/96
2. DOGM File Number (Mine No): M / 047 022
3. Mine Name: Knolls Solar Ponds
4. Mineral(s) Mined (or permitted to mine): Magnesium Chloride Brine
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):
1/4, 1/4, Section Township Range
1/4, 1/4, Section Township Range
1/4, 1/4, Section Township Range
7. Name of Operator or Company: Magnesium Corporation of America
8. Permanent Street Address: 238 North 2200 West
City, State, Zip: Salt Lake City, Utah 84116
Phone: (801) 532-2043
9. Company Representative (or designated operator):
Name: Lee R. Brown
Title: Vice President
Business Address: 238 North 2200 West
City, State, Zip: Salt Lake City, Utah 84116
Phone: (801) 532-2043

☒ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes ☒ No ☐
2. If active, how much ore or mineral was mined? 6.25 million gallons
20.2 MM gallons